

NO. 443

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

June 5, 2003

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL COUNCIL. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Regional Council of the Southern California Association of Governments held its meeting at the City of Brea Community Center. The meeting was called to order by the President, Mayor Bev Perry, City of Brea. There was a quorum.

Members Present

Mayor Bev Perry, Brea, President	District 22
Supervisor Charles Smith, Orange County 1 st Vice President	
Councilmember Hal Bernson, Los Angeles, Immediate Past President	District 59
Supervisor Hank Kuiper, Imperial County	
Councilmember Jo Shields, Brawley	District 1
Councilmember Greg Pettis, Cathedral City	District 2
Councilmember Charles White, Moreno	District 3
Mayor Ron Loveridge, Riverside	District 4
Mayor Ron Roberts, Temecula	District 5
Councilmember Lee Ann Garcia, Grand Terrace	District 6
Councilmember Susan Longville, San Bernardino	District 7
Councilmember Deborah Robertson, Rialto	District 8
Councilmember Gary Ovitt, Ontario	District 10
Mayor Lawrence Dale, Victorville	District 11
Councilmember Cathryn De Young, Laguna Nigel	District 12
Mayor Richard Dixon, Lake Forest	District 13
Councilmember Tod Ridgeway, Newport Beach	District 14
Councilmember Lou Bone, Tustin	District 17
Councilmember Alta Duke, La Palma	District 18
Councilmember Richard Chavez, Anaheim	District 19
Councilmember Art Brown, Buena Park	District 21
Councilmember Gene Daniels, Paramount	District 24
Councilmember Frank Gurule, Cudahy	District 27
Mayor Pro Tem Bea Proo, Pico Rivera	District 31
Councilmember Margaret Clark	District 32
Councilmember Paul Talbot, Alhambra	District 34
Councilmember Harry Baldwin, San Gabriel	District 35
Councilmember Sid Tyler, Pasadena	District 36

Members Present – Cont’d

Councilmember Tom Sykes, Walnut	District 37
Councilmember Llewellyn Miller, Claremont	District 38
Councilmember Paul Nowatka, Torrance	District 39
Mayor Pro Tem Sandra Jacobs, El Segundo	District 40
Councilmember Pam O’Connor, Santa Monica	District 41
Councilmember Bob Yousefian, Glendale	District 42
Councilmember Mike Dispenza, Palmdale	District 43
Councilmember Dennis Washburn, Calabasas	District 44
Vice Mayor Toni Young, Port Hueneme	District 45
Councilmember Ruth Galanter, Los Angeles	District 58
Mayor Debbie Cook, Huntington Beach	District 64
Councilmember Robin Lowe, Hemet	RCTC

Members Not Present

Supervisor Yvonne Burke	County of LA
Supervisor Zev Yaroslavsky	County of LA
Supervisor Judy Mikels	Ventura County
Supervisor Bob Buster	Riverside County
Mayor Bill Alexander, Rancho Cucamonga	District 9
Councilmember Ron Bates, Los Alamitos	District 20
Councilmember Keith McCarthy, Downey	District 25
Councilmember Melanie Andrews, Compton	District 26
Councilmember Judy Dunlap, Inglewood	District 28
Councilmember Bonnie Lowenthal, Long Beach	District 29
Councilmember Tonia Reyes-Uranga, Long Beach	District 30
Councilmember Dick Stanford, Azusa	District 33
Councilmember Glen Becerra, Simi Valley	District 46
Councilmember Carl Morehouse, San Buenaventura	District 47
Councilmember Ed Reyes, Los Angeles	District 48
Councilmember Wendy Greuel, Los Angeles	District 49
Councilmember Dennis Zine, Los Angeles	District 50
Councilmember Tom LaBonge, Los Angeles	District 51
Councilmember Jack Weiss, Los Angeles	District 52
Councilmember Alex Padilla, Los Angeles	District 54
Councilmember Jan Perry, Los Angeles	District 56
Councilmember Nate Holden, Los Angeles	District 57
Councilmember Cindy Miscikowski, Los Angeles	District 58
Councilmember Eric Garcetti, Los Angeles	District 60
Councilmember Nick Pacheco, Los Angeles	District 61
Councilmember Janice Hahn, Los Angeles	District 62
Councilmember Jeff Miller, Corona	District 63
Mayor James Hahn, Los Angeles	At-Large
Mayor Bill Davis, Simi Valley	VCTC

Staff Present

Mark Pisano, Executive Director
Jim Gosnell, Deputy Executive Director
Bert Becker, Chief Financial Officer
Karen Tachiki, Chief Counsel
John Cox, Director, Planning & Assessment
Hasan Ikrata, Acting Director, Planning & Policy
Jim Sims, Director, Information Services
Shelia Stewart, Executive Assistant

1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE

Led by Councilmember Dennis Washburn, City of Calabasas.

2.0 PUBLIC COMMENT PERIOD

There were no comments presented at this time.

3.0 ACTION ITEMS

3.1 Approval Items

The following consent calendar items were MOVED (Bone), SECONDED (Mikels) and UNANIMOUSLY APPROVED:

3.1.1 Approve Minutes of May 1, 2003

3.1.2 Approval of Contracts

- National Demographics Corporation
- Fregonese Calthorpe Associates

3.1.3 Authorization to Apply for EPA Grant for “Support for Local Activities to Quantify and Reduce Greenhouse Gas Emissions”

3.1.4 Authorization to Apply for two Grant Applications for the development of a GIS Data Sharing Systems

3.1.5 Authorization to Execute MOU with LACMTA to Establish a Transportation Planning Institute

3.1.6 Approval of a Notice of Preparation for the Program Environmental Impact Report (PEIR) for the 2004 RTP

3.1.7 Approve SCAG Conflict of Interest
Pulled

3.1.8 Approve co-sponsorship of the Southern California Leadership Program

3.1.9 Adopt Resolution # 03-443-01 Endorsing OC Transportation Authority's Car Sharing Proposal & Grant Application

3.10 Authorize Execution of MOU with LACMTA for COMPASS/Growth Visioning Program

3.11 Authorize Execution of MOU with SCRRA, VCTC and the Southern California Economic Partnership

3.2 Receive & File

3.2.1 Conflict of Interest

3.2.2 Contracts & PO's between \$5,000 - \$25,000
(Info Only) Attachment

- Applied Business Solutions
- Fennessy Associates

Purchase Orders

- Dell Marketing
- Environmental Systems Research Institute
- Environmental Systems Research Institute

3.2.3 2003/2004 Legislative Matrix

Several bills were pulled from the matrix for discussion and staff follow-up: AB 361; AB 351; & CAB113.

3.3 SCAG LEGISLATIVE PROGRAM UPDATE

SCAG's Washington & Sacramento Lobbyist presented an update on SCAG's 2003 Legislative Program.

3.4 PRESIDENT'S REPORT

3.4.1 Appointments

Regional Council Members to Policy Committees

To CEHD: Hon. Paul Nowatka, Torrance

Subregional Representatives to Policy Committees

From San Gabriel Valley COG

To TCC: Hon. Carol Herrera, Diamond Bar

Highway & Transportation Finance Task Force

Hon. Llewellyn Miller, Claremont

Water Policy Task Force

Hon. Debbie Cook, Huntington Beach

Tom Leary, Water Quality Mgr., City of Long Beach

Maglev

Hon. Richard Chavez, City of Anaheim

Announcement of Chairs & Vice Chairs

The chairs & vice chairs are as follows: Councilmember Lee Ann Garcia was selected to serve as chair, and Harry Baldwin was selected to serve as vice chair of TCC; Mayor Richard Dixon, was selected to serve as chair of the Administration Committee and Councilmember Sid Tyler was selected to serve as vice chair.

Members selected to serve another Term

Vice Mayor Toni Young was selected to serve as chair and Supervisor Hank Kuiper was selected to serve as vice chair of EEC; and Mayor Bill Alexander, was selected to serve as chair and Councilmember Alta Duke, was selected to serve as vice chair of CEHD.

It was MOVED, SECONDED and UNANIMOUSLY APPROVED to approve the appointments.

3.5 EXECUTIVE DIRECTOR'S REPORT

Mark Pisano and SCAG's Chief Counsel met with Caltrans representatives to discuss the willingness of Caltrans to file an appeal to FHWA regarding the disputed HDR Audit finding. A draft appeal document was provided to Caltrans for their review and comment.

Strategic Plan Task Force

The Strategic Plan Task held its first meeting since the adoption of the 10-year Strategic Plan. The task force addressed three major issues: SANBAG's request to split District 11 into two districts; the Native American Tribal Advisory Council; and the Regional Advisory Council.

Growth Forecast

Mr. Pisano reported that data sets for two addition growth projects was prepared. The two projections are Trend/TBGP Projection and the trend/TGBP Modified Projection. These projections along with the two PILUT scenarios (In-fill and 5th Ring) will be evaluated during the phase 2 evaluation process. The DRAFT 2004 Growth Projection is scheduled for approval in September.

Regional Housing Needs Assessment (RHNA)

The upcoming RHNA is due to be performed from July 2003 to July 2004. All SCAG subregions were invited to consider accepting delegation of RHNA responsibilities as permitted by the RHNA statute. SCAG's legislative staff is continuing to work with representatives in the State legislature to address this issue. Also a one-year postponement is being discussed at the legislative level for all COGs.

Mr. Pisano also reported that SCAG received a preliminary judgement concerning the 1999-2000 RHNA litigation calling for HCD to rescind its partial acceptance/rejection of the RHNA. SCAG expects the judgement to be finalized shortly, pending potential objections from parties.

4.0 ACTION ITEMS

4.1 Administration Committee Report

4.1.1 Strategic Plan Task Force Report Adding a New RC District & Redistricting

SANBAG requested that District 11 be divided into two districts to address their concerns about the huge geographic expanse and existing diversity between urban and rural interests in the district.

The Administration Committee recommended that the Regional Council approve creating two districts out of District 11. In addition that task force be created to study the issue of future redistricting.

It was MOVED (Dixon), SECONDED (Garcia) and UNANIMOUSLY APPROVED to approve the recommendation.

4.2 Transportation & Communications Committee (TCC) Report

4.2.1 Aviation Plan Variations

The Aviation Task Force directed staff to revise the 2001 Adopted Aviation Plan to account for local aviation policy decisions, the current economic downturn and the effects from the 2001 terrorist attack and the loss of major passenger and cargo serving capacity caused by the removal of El Toro as a commercial airport. Staff developed two adopted plan variations and forecast them to 2030 based on those physical, economic and policy constraints for both air passengers and air cargo.

The TCC recommended that the Regional Council authorize staff to evaluate two aviation plan variations as part of the RTP Program Environmental Impact Report.

It was MOVED (Garcia), SECONDED (Roberts) and UNANIMOUSLY APPROVED.

4.2.2 2004 Regional Transportation Plan Performance (RTP) Measures

In January 2003, the Regional Council approved the goals for the 2004 RTP based upon the recommendations of the TCC and RTP Technical Advisory Committee (RTP TAC). The RTP TAC has also been reviewing and improving upon the performance measures used in the 2001 RTP. The revised performance measures are intended to relate to the recently approved RTP goals. To the extent possible, the measures will also allow for regular monitoring of the transportation system's performance on a periodic basis. The TCC recommended that the performance measures be approved for use in the 2004 RTP.

It was MOVED (Garcia), SECONDED (Lowe) and UNANIMOUSLY APPROVED.

4.2.3 AB 684 (Dutra) – Public Transit Smart Cards System

AB 684 introduced by Assembly Member Dutra (D - Fremont) February 19, 2003 would require all publicly owned transit operators who chose to implement a smart card system to comply with specified requirements. The bill would also require the Department of Transportation (DOT) along with these transit agencies to establish a committee of smart card system managers.

It was MOVED (Lowe), SECONDED (Dispenza) and UNANMOUSLY APPROVED to support AB 684.

4.2.4 SB 465 (Soto) – Transit Village Plan

Senate Bill 465, introduced by Senator Nell Soto (D-Ontario), permits cities and counties to prepare transit village plans and to create transit development districts within ¼- to ½-mile of a rail transit station. SB 465 requires that 20% of new or rehabilitated housing must be available for low- and moderate-income families and enables adjacent public agencies to establish and operate a transit village redevelopment area. The TCC recommended a support.

It was MOVED (Garcia) and SECONDED (Lowe)

Councilmember Bernson offered a substitute motion to amend the bill stating that all areas must meet State requirements for blighted areas that are required under the Montoya legislation.

It was MOVED (Bernson) and SECONDED (Galanter).

There were 14 AYES and 11 NOES. The motion passed to support SB 465 the bill with amendments.

4.2.5 SB 541 (Torlakson) – Motor Vehicle Fuel License Taxes

Introduced by Senator Torlakson (D-Antioch) February 20, 2003, SB 541 would index the state excise tax on gasoline and diesel fuel to the inflation rate. The bill as introduced would have also increased the tax rate further to backfill any revenue reductions to the Transportation Congestion Relief Fund or Transportation Investment Fund. As amended May 1, 2003 this language regarding backfilling revenue reductions was removed.

SB 541 appears consistent with SCAG's Adopted 2003 Legislative Program, which outlines Transportation Financing as a priority and directs legislative staff to develop and support legislative proposals to increase transportation funding through both innovative and traditional concepts such as user fees and sales tax on motor vehicle fuels.

The TCC recommended opposing SB 541 unless amended. The TCC offered the following amendments: 1) No Retroactivity; 2) Funds should be solely dedicated road transportation projects; 3) Indexing should be capped at 3%; 4) The bill should sunset in 5 years; 5) Language should be added precluding the State from taking any revenues for General Fund purposes.

It was MOVED (Lowe) and SECONDED (Baldwin).

Councilmember Bernson offered a substitute motion to oppose the SB 541. The motion was seconded by Councilmember Dispenza.

There were 25 AYES and 1 NOE (Perry). The motion passed.

4.2.6 Update on Maglev Task Force

In December 2002 Regional Council adopted the Ontario to West Los Angeles portion of the LAX/March Maglev Corridor as the Maglev IOS. The action further directed the development of an IOS JPA and to continue to planning studies on the LAX-Palmdale and Orange Line maglev corridors. The Maglev Task Force directed staff to work with the cities of Ontario and Los Angeles to implement the JPA for the IOS, secure local match funds and provide a progress report to the Task Force. The was presented as information.

4.3 Energy & Environment Committee (EEC) Report

4.3.1 Proposed Guidance on the Precautionary Principle developed by Cal/EPA Environmental Justice Advisory Committee

Under Senate Bill 89 (2000, Escutia), the California Environmental Protection Agency's Advisory Committee on Environmental Justice was convened. The Committee consists of seventeen members representing a variety of interests. The Committee has been meeting since May 2002 and provides advice to the Secretary of Cal/EPA, who may act on it at his discretion.

The Committee is developing a draft Environmental Justice Strategy Recommendations Document. Recently, the Committee has discussed incorporating the "precautionary principle" into this strategy document. The precautionary principle has roots in German social policy and gained international currency in the 1990's in the context of European Union policy development regarding genetically modified organisms and foods. Since then it has been taken up by environmental advocates concerned with trends such as global climate change.

It was MOVED (Young), SECONDED (Brown) and UNANIMOUSLY APPROVED to approve comments and forward to Cal/EPA.

4.4 Community, Economic & Human Development (CEHD) Report

4.4.1 AB 1221 (Steinberg/Campbell) California Balanced Communities Act of 2003

This bill attempts to balance the system of local government finance by eliminating the disincentives associated with the building of homes.

It was MOVED (Duke), SECONDED (Lowe) and OPPOSED (Cook) and APPROVED to approve the CEHD's recommendations to support in concept & seek significant amendments.

4.4.2 AB 980 (Salinas) Housing Element : Self Certification

AB 980 permits local municipalities to self certify the revision of their general plan housing element.

It was MOVED (Duke), SECONDED (Longville) and UNANIMOUSLY APPROVED to support.

4.4.3 Selection of the Recommended Technical Growth Projection

Councilmember Duke, Vice Chair, stated that CEHD decided to move forward on the technical growth projections. An detailed report will be presented at the Retreat.

4.5 Update on KPMG FY 01-02 Audit

Councilmember Tyler, Chair, reported at the meeting of the Audit and Best Practice Committee they received the KPMG audit. He noted that there were two reasons for the delay in the final audit, delay in approval of the ICAP and issues associated with the conversion to SAP. He stated that there were 6 items in the draft Management letter which were identified, but none of those issues rose to a serious level.

4.6 Communications Task Force Report

Councilmember Proo, Chair, stated that the Task Force met earlier this week in which an update on SCAG's Coordinated Outreach Effort was presented. She stated that 71 outreach events have been scheduled and participated in the region as of June 2. Compass presentations and workshops were included. The breakdown of events by county is as follows: Imperial (2); Los Angeles (32); Orange (11); Riverside (10); San Bernardino (9); Ventura (3); and Regionwide (4) (includes activities with TV broadcasts) Interested participants can now find an Outreach Calendar of Events and an on-line public comment form.

She also reported that outreach efforts to Native Americans is underway. The development of a Native American Tribal Council Advisory Group is being discussed with the relevant parties.

Finally, planning for the 7th Annual Regional Economic Forecast has begun. This year the event will have a focus on the transportation business community.

5.0 INFORMATION ITEMS

5.1 Monthly Financial Report

Bert Becker highlighted the monthly financial report and noted the cash on hand at the end of May. He also noted \$119,000 in membership dues for FY 04 had been collected. He reported that expenses from the subregions were only \$4 million through April. The subregional coordinators have been advised to submit all invoices as soon as possible. The subregions and vendors have been advised that multiple times failure to submit invoices by July 31 will result in them not being able to be paid for that work.

5.2 Caltrans Audit Update

The CFO gave an update on the Caltrans Audit. He stated that there were 4 Caltrans auditors at SCAG. The chief auditor identified 4 issues of concerns. Those concerns are: (1) Not closing the books on a monthly basis; (2) Lack of four procedural manuals; (3) Lack of vendor retentions from 1999-2000; and (4) Adjustments within SAP.

He stated that the books have now been closed through March and that the goal is to close by the 11th of each month. Three of the manuals have been finalized and sent to Caltrans for review and the fourth, relating to Project Managers will be completed shortly. The retentions were paid by May 21, 2003 and the SAP adjustments were being documented. All of these issues relate to getting the Indirect Cost Plan (ICAP) approved. He stated that the consequence of not having an approved ICAP rate could be about \$800,000 per month of un-collectable reimbursements. The Executive Director indicated that he would consult with the SCAG Offices immediately if no approval of the ICAP rate is forthcoming.

5.3 Rideshare & TransStar Transition Update

Mark Pisano, Executive Director, reported on the transition of the Rideshare and TransStar programs. With regard to Rideshare he stated that SCAG would no longer provide those services and that staff is finalizing plans to make the equipment and software available to the commissions. With regard to TransStar, SCAG has on-going obligations both within and outside the region which were identified. Those obligations will be moved to the Partnership.

6.0 FUTURE AGENDA ITEMS

Councilmember Washburn requested that a followup report on the 101 Corridor study be agendaized for discussion.

Staff was also directed to put together a briefing document for new RC member regarding SCAG history as well as including future goals & objectives for the agency.

7.0 LEGAL COUNSEL REPORT

7.1 Closed Session

- HDR Appeal

Conference with Legal Counsel – anticipated litigation
Significant exposure to litigation pursuant to California
Government Code Subdivision C §54956.9 (one potential case)

- SCAG v. HCD & BT&H

Conference with Legal Counsel - existing litigation to be
heard in closed session in pursuant to California
Government Code Section §54956.9(a)

8.0 ANNOUNCEMENTS

There were no announcements presented at this time.

9.0 ADJOURNMENT

The next meeting is scheduled for Thursday, July 31, 2003 at SCAG Offices.

Mark Pisano, Executive Director